



# AMENDED NEBRASKA INDIVIDUAL INCOME TAX RETURN for Tax Years Before 1987

Taxable Year of Original Return

FORM

1040XN

beginning \_\_\_\_\_, 19\_\_\_\_ and ending \_\_\_\_\_, 19\_\_\_\_

First Name(s) and Initial(s) \_\_\_\_\_ Last Name \_\_\_\_\_  
Home Address (Number and Street or Rural Route and Box Number) \_\_\_\_\_  
City, Town, or Post Office \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

PLEASE DO NOT WRITE IN THIS SPACE

Public School District Data: \_\_\_\_\_ County of Residence \_\_\_\_\_ If your principal source of income is from farming, ranching, or fishing, check this box: ☐ Your Social Security No. \_\_\_\_\_ Spouse's Number \_\_\_\_\_  
County \_\_\_\_\_ I.D. No. \_\_\_\_\_

**Are you filing this amended return because:**  
a. The Nebraska Department of Revenue has notified you that your return will be audited? ☐ YES ☐ NO  
b. The Internal Revenue Service has corrected your federal return? If Yes, identify office: \_\_\_\_\_ ☐ YES ☐ NO  
and attach a copy of changes from Internal Revenue Service.

**Are you filing for a refund based on:**  
a. The filing of a federal amended return or claim for refund? ☐ YES ☐ NO  
**Attach copies of Federal Form 1045 or 1040X and supporting schedules.**  
b. Carryback of a net operating loss or section 1256 loss? ☐ YES ☐ NO  
If Yes, year of loss: \_\_\_\_\_ Amount: \$ \_\_\_\_\_  
**Attach copies of Federal Form 1045 or 1040X and supporting schedules.**

FEDERAL FILING STATUS (check only one in each column)	Original Return	This Return	FEDERAL EXEMPTIONS	Original Return	This Return
1 Single	<input type="checkbox"/>	<input type="checkbox"/>	7 Number of exemptions on your federal return	7	
2 Married filing joint return	<input type="checkbox"/>	<input type="checkbox"/>	<b>FOOD SALES TAX CREDIT (complete for years before 1984 and if resident for more than six months)</b>		
3 Married filing separately. Spouse also filing.	<input type="checkbox"/>	<input type="checkbox"/>	8 Yourself	8	
4 Head of household	<input type="checkbox"/>	<input type="checkbox"/>	9 Spouse	9	
5 Surviving widow(er)	<input type="checkbox"/>	<input type="checkbox"/>	10 Number of dependent children living with you:		
6 Married filing separately. Spouse not filing.	<input type="checkbox"/>	<input type="checkbox"/>	a. Who are claimed as exemptions on your federal return	10a	
			b. For whom you received Aid to Families with Dependent Children (AFDC) not included on line 10a (after 1974)	10b	
			c. In your custody who are claimed as exemptions on a nonresident's federal return (after 1976)	10c	
			d. In your custody who cannot be claimed as exemptions on any federal return due to income from social security or foster care programs	10d	
			11 Number of other dependents residing in Nebraska	11	
			12 Number of individuals qualifying for Nebraska food sales tax credit (total of lines 8 through 11)	12	

**TYPE OF RETURN BEING FILED (check appropriate boxes)**  
Resident ☐ Original Return ☐ This Return ☐  
Nonresident ☐ Original Return ☐ This Return ☐

**PARTIAL-YEAR RESIDENTS enter period of residence in Nebraska**  
from \_\_\_\_\_, 19\_\_\_\_ to \_\_\_\_\_, 19\_\_\_\_  
Month Day Month Day

**Check Source Used to Compute Federal Tax** (1) ☐ Tax Tables (2) ☐ Tax Rate Schedules (3) ☐ Schedule G (4) ☐ Schedule D, Form 4726, or 6781 (5) ☐ Form 4625 or 6251 (6) ☐ Form 4972, 5544, or 5329

Computation of Tax	(A) As Reported or Adjusted	(B) Net Change (Complete Schedule III)	(C) Correct Amount
13 Federal adjusted gross income	13		13
14 See instructions	14		14
15 a Enter the amount from 1977 or 1978 Federal Tax Tables	15a		15a
b Enter the amount from the 1978 Nebr. Add Back Tables (see instructions in 1978 1040N Booklet)	15b		15b
c For 1981 tax year only, Schedule II of this return must be completed to compute line 15c; do not complete lines 15a and 15b.	15c		15c
16 Nebraska income tax (rate %)	16		16
17 Nebr. income tax withheld including Form 14N (after 1980)	17		17
18 Food sales tax credit (before 1984)	18		18
19 Estimated tax payments	19		19
20 Form 4136N credit	20		20
21 Credit for tax paid to another state (all years) and Form 14N (before 1981)	21		21
22 Credit for the elderly or permanently disabled (after 1980)	22		22
23 Renewable energy source systems credit (after 1981)	23		23
24 Community Dev. Assistance Act credit (1985 or 1986)	24		24
25 Total credits (total of lines 17 through 24)	25		25
26 Amount paid with original return, plus additional payments made after it was filed	26		26
27 Total payments and credits (line 25 plus line 26)	27		27
28 Overpayment allowed on original return, plus additional overpayments allowed after it was filed	28		28
29 Line 27 minus line 28	29		29
30 If line 16, column (C) is more than line 29, enter TAX DUE	30		30
31 Penalty (see instructions)	31		31
32 Interest (14% per year on line 30 amount)	32		32
33 Total BALANCE DUE (total of lines 30 through 32). Pay in full with this return	33		33
34 If line 16, column (C) is less than line 29, enter REFUND to be received	34		34

Under penalties of perjury, I declare that as taxpayer or preparer I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is correct and complete. Any additional food sales tax credits have not been claimed on any other return.

**sign here** Your Signature \_\_\_\_\_ Date \_\_\_\_\_ Signature of Preparer Other than Taxpayer \_\_\_\_\_ Date \_\_\_\_\_  
Spouse's Signature (if filing jointly both must sign) \_\_\_\_\_ Phone Number \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Mail this return and payment to: **NEBRASKA DEPARTMENT OF REVENUE, P.O. BOX 94818, LINCOLN, NE 68509-4818**  
8-134-70 Rev. 9-89 Supersedes 8-134-70 Rev. 11-88



**NEBRASKA SCHEDULE I — Computation of Nebraska Tax Base**  
**NEBRASKA SCHEDULE II — 1981 Federal Income Tax Before Credits**  
**NEBRASKA SCHEDULE III — Explanation of Changes**

**FORM**  
**1040XN**

Name as Shown on Form 1040XN

Social Security Number

**Nebraska Schedule I — Computation of Nebraska Tax Base**

• Complete if resident with adjustments, nonresident, or partial-year resident

	(A) As Reported or Adjusted	(B) Net Change	(C) Correct Amount
<b>35</b> Federal adjusted gross income (enter amount here and on line 13, Form 1040XN) .....	<b>35</b>		<b>35</b>
<b>36</b> Federal exemptions and excess itemized deductions. • For 1982 through 1986, federal excess itemized deductions or allowable charitable contributions and federal exemptions. • For 1976 and prior years, federal itemized or standard deductions and federal exemptions.	<b>36</b>		<b>36</b>
<b>37</b> Federal taxable income (line 35 minus line 36) .....	<b>37</b>		<b>37</b>
<b>38</b> Nebraska adjustments increasing and decreasing federal taxable income .....	<b>38</b>		<b>38</b>
<b>39</b> Nebraska adjusted federal taxable income (line 37 plus or minus line 38) .....	<b>39</b>		<b>39</b>
<b>40</b> Federal income tax before credits. For 1981, enter amount from line 48d below .....	<b>40</b>		<b>40</b>

Check source used to compute federal tax on amount on line 39

(1) ☐ Tax Tables (1976, 1981 through 1986 only)

(2) ☐ Tax Rate Schedules

(3) ☐ Schedule G

(4) ☐ Schedule D or Form 4726 or 6781

(5) ☐ Form 4625 or 6251

(6) ☐ Form 4972, 5544, or 5329

**Residents enter amount from line 40 on line 15c, Form 1040XN. Nonresidents and partial-year residents complete lines 41 through 46 below.**

<b>41</b> Income derived from Nebraska sources .....	<b>41</b>		<b>41</b>
<b>42</b> Adjustments as applied to Nebraska income .....	<b>42</b>		<b>42</b>
<b>43</b> Nebraska adjusted gross income (line 41 minus line 42) .....	<b>43</b>		<b>43</b>
<b>44</b> Nebraska share of federal deductions and exemptions Line 43 X Line 36 .....	<b>44</b>		<b>44</b>
<b>45</b> Nebraska taxable income (line 43 minus line 44) .....	<b>45</b>		<b>45</b>
<b>46</b> Nebraska share of federal income tax (enter amount here and on line 15c, Form 1040XN). Line 45 X Line 40 .....	<b>46</b>		<b>46</b>

**Nebraska Schedule II — 1981 Federal Income Tax Before Credits**

• Attach federal tax schedule or form unless Tax Table or Rate Schedules were used

	(A) As Reported or Adjusted	(B) Net Change	(C) Correct Amount
<b>47</b> Complete only if you are not required to file Nebraska Schedule I above. <b>a</b> Federal tax if you used tax table, tax rate schedules, Schedule G, or line 33 of 1981 Federal Schedule D .....	<b>47a</b>		<b>47a</b>
<b>b</b> Enter amount from 1981 Nebraska Add Back Table (see instructions in 1981 1040N booklet) .....	<b>47b</b>		<b>47b</b>
<b>c</b> Total of federal minimum taxes and line 34 of 1981 Schedule D or appropriate lines of Federal Form 4726 .....	<b>47c</b>		<b>47c</b>
<b>d</b> 1981 federal income tax before credits (total of lines 47a, 47b, and 47c). Enter amount here and on line 15c, Form 1040XN .....	<b>47d</b>		<b>47d</b>
<b>48</b> Complete only if you are required to file Nebraska Schedule I above. <b>a</b> Federal tax from Tax Table if used on line 39 income .....	<b>48a</b>		<b>48a</b>
<b>b</b> Enter amount from 1981 Nebraska Add Back Table (see instructions in 1981 1040N booklet) .....	<b>48b</b>		<b>48b</b>
<b>c</b> If federal tax rate schedules, Schedule G or D, or Forms 4726, 4625, or 6251 were used, recompute tax using line 39 income without the rate reduction credit (see instructions on Schedule I or III of 1981 Form 1040N) .....	<b>48c</b>		<b>48c</b>
<b>d</b> 1981 federal income tax before credits (total of lines 48a, 48b, and 48c). Enter amount here and on line 40, Schedule I above .....	<b>48d</b>		<b>48d</b>

**Nebraska Schedule III — Explanation of Changes**

• Attach schedules if necessary

**FOR NEBRASKA DEPARTMENT OF REVENUE USE ONLY**

Batch Number	Report Number	Claim Number	Amount Received	Amount Refunded
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# AMENDED NEBRASKA INDIVIDUAL INCOME TAX RETURN for Tax Years Before 1987 Only

This Form 1040XN is to be used only when returns for tax years before 1987 are amended. Returns for 1987 and later cannot be amended using this form. The proper Form 1040XN may be obtained from the taxpayer assistance offices listed on page 4.

## INSTRUCTIONS

**AN AMENDED NEBRASKA INDIVIDUAL INCOME TAX RETURN**, Form 1040XN, must be filed whenever the taxpayer's federal tax return is amended or corrected, or whenever the information on the Nebraska return as previously filed is not correct. If a resident taxpayer claimed credit for tax paid to another state and the other state's return is amended or corrected, Form 1040XN must also be filed. The Form 1040XN may only be filed after the Nebraska Individual Income Tax Return, Form 1040N, or Nebraska Individual Food Sales Tax Credit Return, Form 1010N, has been filed.

Tax returns for 1987 and later years cannot be amended with this form. The proper 1040XN may be obtained from the taxpayer assistance offices listed on page 4.

The amended return is due 90 days after filing an amended federal return or after an Internal Revenue Service correction becomes final. A correction is final, even though the taxpayer and the IRS are still contesting the amount due, whenever one of the following has occurred:

1. The tax has been paid by the taxpayer.
2. The examining officer's findings have been accepted by the taxpayer.
3. A closing agreement has been approved by the IRS.
4. A decision of a court has become final.

Attach copies of the federal claim for refund, the audit determination of the Internal Revenue Service, or the amended federal return to the amended Nebraska return, Form 1040XN. If you are filing for a refund more than three years after the filing of the original return or for a refund due to a net operating loss carryback more than three years after the due date of the loss year's return, **attach dated proof of federal acceptance of your federal refund** or copies of federal or Nebraska waivers of the statute of limitations to each Amended Nebraska Individual Income Tax Return affected.

A change in the Nebraska tax liability based on a change in federal liability can be approved only if the federal change has been reported to the Internal Revenue Service. If there is a possible change in the federal liability, but the federal change has not been made or reported to the IRS, there can be no change in the Nebraska liability.

An amended return based on the filing of a federal protective claim with the IRS does not require the filing of an amended Nebraska return as a protective claim. The payment of the refund on a protective claim by the IRS constitutes a federal change that must be reported within 90 days of such refund.

An oral hearing may be requested when filing for a refund on Form 1040XN by writing the request on the Explanation of Changes, Nebraska Schedule III, Form 1040XN.

**NEBRASKA NET OPERATING LOSS (NOL).** If you are carrying back a Nebraska net operating loss from tax year 1987 or after, you must attach the appropriate Nebraska Net Operating Loss Worksheet, Form NOL. Enter the federal adjusted gross income which you originally reported on line 13, column A, and report only the Nebraska NOL which you computed on Form NOL on line 13, column B.

**TAXPAYER ASSISTANCE** is available at the Nebraska Department of Revenue offices located in Grand Island, Lincoln, Norfolk, North Platte, Omaha, and Scottsbluff.

The addresses and phone numbers are shown on page 4 of these instructions. Hours are 8:00 a.m. to 5:00 p.m., Monday through Friday, and at such other times and places as may be announced. Persons within Nebraska may also call for taxpayer assistance toll free by dialing your long distance access number and 800-742-7474. If you are located outside Nebraska, you must call 402-471-5729.

Confidential tax information will be given only by return telephone call after the caller's identity has been established. A representative of a taxpayer requesting confidential tax information must have a power of attorney on file with the Nebraska Department of Revenue before any information will be released. An income tax return signed by the preparer is a limited power of attorney authorizing the Nebraska Department of Revenue to release only the information contained on that return to the preparer.

## SPECIFIC INSTRUCTIONS

**COUNTY OF RESIDENCE** is the place where you maintained your home in the year being amended. If you are a nonresident of Nebraska, enter "nonresident."

**PUBLIC SCHOOL DISTRICT DATA.** Nonresidents or partial-year residents who did not reside in Nebraska on December 31 of the year being amended do not complete the public school district data.

All residents and partial-year residents who reside in Nebraska on December 31 of the year being amended must complete the school district data. A complete list of the school identification numbers to be used is contained in the current Nebraska Individual Income Tax Booklet.

**LINES 1 THROUGH 6.** A change in the filing status can only be made when the federal filing status has been changed, except when a joint federal return was filed and the Nebraska residency of the spouses is different.

The residencies are different when, during all or some part of the year, one spouse is a resident and the other spouse is a nonresident at the same time. The couple with different residencies may file original returns with Nebraska on either a joint return or a separate return basis.

The couple who have filed separate Nebraska returns may elect, either before or after the due date of the original return, to file a joint return with Nebraska and be taxed as though both were residents during the time either was a resident.

For tax years beginning on or after January 1, 1980, the couple with different residencies who filed a joint Nebraska return and wish to change to separate returns must follow the specific steps provided in Revenue Ruling 22-81-2. For tax years beginning before January 1, 1980, the couple who filed a joint Nebraska return may change to separate Nebraska returns only before the due date of the original return. Once the due date is passed, the election to file a joint return and have the income taxed in Nebraska is irrevocable for tax years beginning before January 1, 1980.

**LINES 8 THROUGH 12.** Residents and partial-year residents of Nebraska may claim food sales tax credits for tax years before 1984

for themselves and their allowable federal exemptions if they were physically present in Nebraska for over six months and they did not live in an institution that was exempt from sales tax.

Enter the number of exemptions qualified for food sales tax credit on the appropriate lines. For tax years beginning before January 1, 1977, enter the total number of dependent children on line 10a in the "original return" column.

Enter on line 10b the number of children who do not qualify as allowable federal exemptions, but for whom the amount received for Aid to Families with Dependent Children (AFDC) plus any amount you otherwise furnish is more than one half of the child's support. These children are allowable for food sales tax credit for tax years beginning after December 31, 1974.

Enter on line 10c the number of children who were in your custody and living in Nebraska who were claimed as federal exemptions by a nonresident who did not file a Nebraska Individual Income Tax Return for the year being amended. These children are allowable for food sales tax credit for tax years beginning after December 31, 1976.

Enter on line 10d the number of dependent children in your custody who were not claimed as federal exemptions on any federal income tax return for the year being amended due to payments received from social security or foster care programs.

**Check the source or sources used to compute federal tax on this return.**

**COLUMN A.** Amounts entered in this column are the amounts reported on your original return, or as corrected or changed by an earlier amended return or audit. If you need a copy of the last return you filed, contact the Nebraska Department of Revenue Taxpayer Assistance.

**COLUMN B.** Amounts entered in this column are the net changes to the amounts reported in column A. All amounts entered in column B must be explained in detail on Nebraska Schedule III with supporting schedules attached if necessary.

**COLUMN C.** The determination of the amounts to be entered in this column are explained in the instructions for lines 13 through 24. If a federal audit is the basis for this amended return, enter on lines 13, 14, and 15 the information from the audit report. Use the amounts that would be entered on the appropriate lines of the Amended U.S. Individual Income Tax Return, Federal Form 1040X, if one was filed.

**LINE 13, COLUMN C.** Enter the corrected amount of adjusted gross income from line 3, Federal Form 1040X, or from line 9 of an Application for Tentative Refund, Federal Form 1045.

**LINE 14, COLUMN C. For 1981 through 1986.** Enter the corrected amount from line 7, Federal Form 1040X, or from line 15, Federal Form 1045.

**For 1977 through 1980 years.** If you use the tax tables, enter the corrected amount from line 5, Federal Form 1040X. All others enter the corrected amount from line 7, Federal Form 1040X.

**For 1976.** Enter the corrected amount from line 7, Federal Form 1040X.

**LINES 15a AND 15b, COLUMN C. For 1977 and 1978 tax table users only.** These lines are for use by resident taxpayers who are not making any adjustments to taxable income for Nebraska purposes on Nebraska Schedule I. Enter on line 15a the amount from the tax tables for the correct amount of income, plus any minimum tax. Refer to the 1978 Nebraska Individual Income Tax Booklet for the instructions and tables necessary for line 15b.

**LINE 15c, COLUMN C, FEDERAL INCOME TAX BEFORE CREDITS. For 1977 and 1978 tax table users.** Complete lines 15a and 15b, and enter the total on 15c.

**For 1981, complete Nebraska Schedule II.** Residents who do not have Nebraska adjustments to federal taxable income are to complete lines 47a, 47b, 47c, and 47d, and enter on line 15c, column C the amount from line 47d, column C. Residents who have Nebraska adjustments to federal taxable income and all nonresidents and partial-year residents are to complete Nebraska Schedule I through line 39 before completing lines 48a, 48b, 48c, and 48d to determine the amount to enter on line 40, Nebraska Schedule I.

**For those required to complete Nebraska Schedule I.** Residents enter the amount from line 40, column C. Nonresidents and partial-year residents enter the amount from line 46, column C.

**For all other taxpayers.** Enter the corrected amount of federal income tax before credits. For 1974 and later years, the federal income tax includes the federal minimum tax, and for 1979 and later years, it also includes the alternative minimum tax.

**For 1979 and later years.** If you computed the minimum tax or alternative minimum tax to determine your federal tax liability, it is necessary to recompute Federal Forms 4625 or 6251 to determine the correct Nebraska tax liability. The necessary adjustments to be made on these federal forms for Nebraska are provided in the following Revenue Rulings: number 22-86-1 for 1986, 22-85-3 for 1985, 22-84-2 for 1984, 22-83-2 for 1983, 22-82-1 for 1982, 22-81-3 for 1981, and 22-81-4 for 1979 and 1980.

**LINE 16, NEBRASKA INCOME TAX.** The Nebraska income tax is computed by multiplying the amount on line 15c, column C by the following rates:

Year	Rate	Year	Rate	Year	Rate
1981	15%	1983	20%	1985	20%
1982	18%	1984	19%	1986	19%

Fiscal year taxpayers must use the Nebraska rate that was in effect on the day which is, or is deemed to be, the first day of the taxable year for which the amended return is prepared. Contact the Department for tax rates prior to 1981.

**LINE 17, NEBRASKA INCOME TAX WITHHELD.** If you are correcting the amount of income tax withheld on line 17, you must attach a Nebraska copy of any additional or corrected Wage and Tax Statements, Federal Forms W-2 which were not filed with your original return.

For tax years beginning on or after January 1, 1981, nonresidents are to include on line 17 the credit for Nebraska income tax paid on their behalf by a partnership, S corporation, estate, or trust as reported on Form 14N. For tax years beginning before 1981, Form 14N credit is to be claimed on line 21.

**LINE 18, FOOD SALES TAX CREDIT.** If the amount on line 18, column C is greater than the amount on line 18, column A, explain the increase on Nebraska Schedule III.

For tax years 1981 and 1982, multiply the total qualifying exemptions on line 12 by \$28.00; for tax year 1983, multiply by \$21.00.

**LINE 19, ESTIMATED TAX PAYMENTS.** Enter the total amount of Nebraska estimated income tax paid for the taxable year you are amending. Include the amount of income tax credit which was not refunded to you from the previous taxable year. If the amount on line 19, column C is greater than the amount on line 19, column A, you must attach copies of all of your payments (canceled checks or money orders) of Nebraska estimated income tax for the taxable year of this amended return.

**LINE 20, FORM 4136N CREDIT.** If you are correcting the amount of nonhighway use motor vehicle fuels credit, the change must be explained in detail on Nebraska Schedule III. The gallons of fuel must be claimed for the period in which they were purchased.

If you are amending your credit for a tax year after 1977, a special

Nonhighway Use Motor Vehicle Fuels Credit Computation, Form 4136N, is required. See Form 4136N for information regarding the special fuel user permitholder's credit. The appropriate form and information may be obtained by contacting the Department of Revenue Taxpayer Assistance.

**LINE 21, CREDIT FOR TAX PAID TO ANOTHER STATE.**

Explain any change in detail on Nebraska Schedule III. Supporting schedules must be attached to verify the amount of other credits entered on line 21, column C if this amount is larger than the amount on line 21, column A.

Credit for income tax paid to another state or political subdivision of another state must be supported by attaching a complete copy of the return including schedules and attachments or a copy of a letter or statement from the other state or subdivision indicating the amount of income reported and tax paid. If the subdivision does not require that an income tax return be filed, attach a copy of the statement from the employer showing the amount of tax withheld.

Refer to the the Credit for Tax Paid to Another State, Nebraska Schedule II, Form 1040N, and the instructions on this schedule for the computation and limitations of this credit. Attach your computation.

For tax years beginning before 1981, nonresidents are to include on line 21 the credit for Nebraska income tax paid on their behalf by a partnership, S corporation, estate, or trust as reported on Form 14N. For tax years beginning on or after January 1, 1981, Form 14N credit is to be claimed on line 17.

**LINE 22, CREDIT FOR THE ELDERLY OR DISABLED.**

For tax years beginning on or after January 1, 1981, Nebraska residents are allowed a nonrefundable credit equal to 50 percent of the allowable federal credit. If you are correcting the amount of this credit, the change must be explained in detail on Nebraska Schedule III. A copy of the corrected Federal Schedules R or RP must be attached to verify the change in the Nebraska credit.

**LINE 23, RENEWABLE ENERGY SOURCE SYSTEMS CREDIT.**

Individuals are allowed a credit for qualifying active and passive solar systems and wind energy devices installed between January 1, 1982 and December 31, 1985, as computed on the Nebraska Renewable Energy Source Systems Credit Computation, Form 5695N. If you are correcting the amount of this credit, the change must be explained on Nebraska Schedule III, and a corrected Form 5695N for the appropriate year must be attached to substantiate the change in the Nebraska credit.

**LINE 26, AMOUNT PAID.** Enter on line 26 the amount of tax paid with the original return plus any tax payments for the same taxable year made after the filing of your original return. Do not include the portion of a payment which was for interest or penalty.

**LINE 28, OVERPAYMENTS ALLOWED.** Enter on line 28 the amount of overpayment allowed on your original return, previous amended returns, or as later corrected by the Nebraska Department of Revenue. This includes both amounts refunded and amounts applied to the succeeding year's estimated tax. Do not include interest received on any refund.

**LINE 30, TAX DUE.** If line 16, column C is more than line 29, enter the tax due on this line.

**LINE 31, PENALTY.** If your original return was not filed by the due date, or during the period of an extension, and line 30 indicates a tax due, it will be necessary to compute a penalty for failure to timely file. Multiply the amount on line 30 by 5 percent per month or fraction of a month, not to exceed a total of 25 percent, from the due date as extended until the original return was filed. Enter the result on line 31.

If this amended return is being filed because of a change made by

the IRS, and the IRS assessed a penalty, multiply the amount on line 30 by the same percentage used by the IRS. Enter the result on line 31. If both the penalty for failure to timely file and the penalty because of an IRS assessment are computed, enter the larger amount on line 31.

Additional penalties may be imposed for:

1. Failure to pay tax when due,
2. Failure to file an amended return when required,
3. Preparing or filing a fraudulent income tax return,
4. Understatement of income on an income tax return, or
5. Underpayment of estimated tax.

**LINE 32, INTEREST.** If line 30 indicates that tax is due, interest is due at the rate of 14 percent per year from the original due date to the date the tax is paid. The amount of interest due should be computed by completing the following steps:

1. Multiply the tax due by .14;
2. Divide the result by 365 to compute the interest due for each day the tax was delinquent;
3. Determine the number of days from the due date of the original return to the date Form 1040XN is to be filed and the tax paid;
4. Multiply the number of days by the amount of interest per day as computed in step number 2; and
5. Enter the result on line 32.

If you are due interest on the refund, it will be computed by the Nebraska Department of Revenue and added to the amount shown on line 34.

**LINE 33, TOTAL BALANCE DUE.** Enter the total of lines 30 through 32. Attach check or money order payable to the Nebraska Department of Revenue and all required schedules to your amended return and mail to the Nebraska Department of Revenue, P.O. Box 94818, Lincoln, Nebraska 68509-4818.

**LINE 34, REFUND.** Enter the amount of overpayment. This amount will be refunded separately from an amount claimed as an overpayment on your original return. An amount less than \$2.00 will not be refunded. None of the overpayment will be applied to estimated tax for any year.

If a taxpayer has an existing tax liability of any kind with the Nebraska Department of Revenue, an overpayment shown on this return may be applied to such liability. The Nebraska Department of Revenue will notify the taxpayer if the overpayment has been applied against another tax liability.

**SIGNATURES.** Both husband and wife are to sign their joint return. If another person signs this return for the taxpayer, a copy of a power of attorney or court order authorizing the person to sign the return must be on file with this department or attached to this return.

Any person who is paid for preparing a taxpayer's return must also sign the return as preparer.

**INSTRUCTIONS FOR NEBRASKA SCHEDULE I  
Computation of Nebraska Tax**

**RESIDENTS.** If you have adjustments increasing or decreasing federal taxable income on your original return or being claimed on this amended return, you must complete lines 35 through 40. Enter the amount from line 40 on line 15c, Form 1040XN.

**NONRESIDENTS AND PARTIAL-YEAR RESIDENTS.** If your income is derived (earned) in more than one state or you have Nebraska adjustments to income, you must complete lines 35 through 46. Use your copy of your original return and instructions

to make the necessary tax computations. Enter the amount from line 46 on line 15c, Form 1040XN.

**LINE 36.** If you are required to itemize deductions for years after 1976, refer to the instructions on Nebraska Schedule I or III or the applicable year's Form 1040N to determine the amount to enter on line 36, Nebraska Schedule I, Form 1040XN.

**LINE 40. For 1981.** Complete lines 48a, 48b, 48c, and 48d, Nebraska Schedule II, Form 1040XN to determine the amount to enter on line 40.

**For 1979 and later years.** If you computed the minimum tax or alternative minimum tax to determine your federal tax liability, it is necessary to recompute Federal Forms 4625 and 6251 to determine the correct Nebraska tax liability. The necessary adjustments to be made on these federal forms for Nebraska are provided in the following Revenue Rulings: number 22-86-1 for 1986, 22-85-3 for 1985, 22-84-2 for 1984, 22-83-2 for 1983, 22-82-1 for 1982, 22-81-3 for 1981, and 22-81-4 for 1979 and 1980.

If you used Federal Schedule G or Federal Form 4726 to compute your federal tax, and you had adjustments on line 38, the amount of federal tax from these forms must be recomputed based on the Nebraska adjusted gross income.

The federal tax tables may only be used for the tax years beginning in 1976 and years 1981 through 1986.

**LINES 44 AND 46.** The factors computed by the division calculation on these lines are to be rounded to the nearest hundredth of a percent (.0000 or 00.00%).

#### **INSTRUCTIONS FOR NEBRASKA SCHEDULE II 1981 Federal Income Tax Before Credits**

**LINES 47a, 47b, 47c, AND 47d.** Complete for the tax year beginning in 1981 only if you are a resident and do not have Nebraska adjustments to federal taxable income. Refer to the instructions for lines 15a, 15b, 15c, and 15d of the 1981 Form 1040N and the 1981 Nebraska Add Back Table for specific information on how to complete lines 47a through 47d. Enter in column A the amounts reported on lines 15a through 15d on your original return or the amounts as previously adjusted.

**LINES 48a, 48b, 48c, AND 48d.** Complete for the tax year beginning in 1981 if you are required to file Nebraska Schedule I, Form 1040XN.

Residents who have Nebraska adjustments to federal taxable income must complete Nebraska Schedule I, Form 1040XN, to line 40. To determine the federal income tax before credits to enter on line 40, complete lines 48a through 48d. Refer to the instructions on lines 37a, 37b, 37c, and 37d of the 1981 Nebraska Schedule I, Form 1040N, and the 1981 Nebraska Add Back Table for specific information on how to complete lines 48a through 48d.

Nonresidents and partial-year residents must complete Nebraska Schedule I, Form 1040XN. To determine the federal income tax before credits to enter on line 40, complete lines 48a through 48d. Refer to instructions for lines 52a, 52b, 52c, and 52d of the 1981 Nebraska Schedule III, Form 1040N, and the 1981 Nebraska Add Back Tables for specific information on how to complete lines 48a through 48d.

Lines 48a through 48d are required for 1981 amended returns filed by residents who have Nebraska adjustments to federal taxable income and by all nonresidents and partial-year residents.

#### **INSTRUCTIONS FOR NEBRASKA SCHEDULE III Explanation of Changes**

Print or type your explanation in detail on Schedule III or on an attached schedule for each change reported on this return or entered in column B for lines 13 through 24 and 35 through 48d. Attach a copy of each federal form used in reporting the change. If you are filing an amended return due to an audit by the Internal Revenue Service or the Nebraska Department of Revenue, attach a copy of the Audit Determination. If you are filing for an income tax refund due to a carryback of a Nebraska net operating loss, you must attach a copy of either Federal Form 1045 or 1040X and supporting schedules, and a copy of a Nebraska Net Operating Loss Worksheet, Form NOL for any loss incurred in 1987 or after. If you are filing an amended return due to a change in Nebraska credits claimed, attach the applicable schedule, form, or other state's return or audit determination.